

# HOUSE BILL REPORT

## HB 3081

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### As Reported by House Committee On: Health Care

**Title:** An act relating to clarifying the financial responsibility of the state and regional support networks for the costs associated with the care of individuals in need of involuntary treatment under chapter 71.05 RCW.

**Brief Description:** Clarifying the financial responsibility of the state and regional support networks for the costs associated with the care of individuals in need of involuntary treatment under chapter 71.05 RCW.

**Sponsors:** Representatives Cody, Hinkle and Sommers; by request of Department of Social and Health Services.

#### **Brief History:**

##### **Committee Activity:**

Health Care: 1/26/06, 2/2/06 [DPS].

#### **Brief Summary of Substitute Bill**

- Services for people with a mental illness will be developed in each Regional Support Network (RSN) to serve clients in their community and reduce the need for placements in state mental hospitals.
- The RSNs will be held accountable for serving people with a mental illness in their service area and not exceeding their allocation of state hospital beds.

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#### **HOUSE COMMITTEE ON HEALTH CARE**

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 8 members: Representatives Cody, Chair; Morrell, Vice Chair; Hinkle, Ranking Minority Member; Curtis, Assistant Ranking Minority Member; Clibborn, Condotta, Green and Moeller.

**Minority Report:** Do not pass. Signed by 6 members: Representatives Campbell, Vice Chair; Alexander, Appleton, Bailey, Lantz and Schual-Berke.

**Staff:** Dave Knutson (786-7146).

#### **Background:**

Pierce County Regional Support Network sued the state claiming the Regional Support Network (RSN) contract improperly required liquidated damages when the RSN used more than its allocation of state hospital beds, that the state owed the RSN reimbursement for not promptly taking RSN patients committed for 90 or 180 day treatment, and that the state violated various Medicaid requirements. The Superior Court judge ruled the Department of Social and Health Services (Department) did not have statutory authority to impose the liquidated damages requirement in its contract with the RSN, and once patients are committed for 90 or 180 day terms, the state becomes financially responsible for them immediately.

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**Summary of Substitute Bill:**

The Legislature intends, within funds appropriated for this purpose, to serve people with a mental illness in their community. The RSNs will be held accountable for developing systems of care to serve people with a mental illness in their community, and not exceeding their allocation of state hospital beds.

**Substitute Bill Compared to Original Bill:**

The RSNs will not be made financially responsible for evaluation and treatment services for all individuals detained or committed for involuntary intensive treatment for periods of up to 17 days, and for all individuals voluntarily or civilly committed and being served on the grounds of a state mental hospital. Instead, the RSNs will be held accountable for developing systems of care to serve people with a mental illness in their community, within funds appropriated by the Legislature for this purpose, and for not exceeding their allocation of state hospital beds established in their contract with the Department.

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**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date of Substitute Bill:** The bill takes effect 90 days after adjournment of session in which bill is passed.

**Testimony For:** (In support) Without legislative action, several additional wards must be opened at both state mental hospitals. This will be very expensive and is inconsistent with the policy goal of serving people with a mental illness in their community.

(With concerns) Additional resources should be directed at serving people in their communities, not adding capacity at the state mental hospitals. The RSNs must be held accountable to serve people in their own service area, and not exceed their bed allocation at the state mental hospitals.

**Testimony Against:** None.

**Persons Testifying:** (In support) Richard Kellogg, Department of Social and Health Services.

(With concerns) Rick Weaver, Washington Community Mental Health Council; Seth Dawson, Washington State Psychiatric Association; David Lord, Washington Protection and Advocacy System; Jean Wessman, Association of Counties; and Nick Federici, Fairfax Hospital.

**Persons Signed In To Testify But Not Testifying:** None.